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CHAPTER 1: INTRODUCTION AND OVERVIEW

1.1 EXECUTIVE MAYOR`S FOREWORD

I am privileged to have the opportunity as Executive Mayor of Waterberg District Municipality to present the Annual Report for the 2010/ 11 financial year.

The 2010/11 financial year was very exciting and eventful. Amongst other things, the local government elections were held. As a result thereof, IDP/Budget processes were fast-forwarded and concluded in April 2011 instead of June 2011. A new team of councillors started their term of office on 1 June 2011 and service delivery remains a thorny issues on the agenda of the municipality as it was reverberated throughout the electioneering period.

1.1.1 Achievements

The Council has made tremendous strides towards achieving its objectives in all six key performance areas which are outlined in this report. The key performance areas are as follows:

- Municipal Institutional Transformation and Development
- Basic Service Delivery and Infrastructure Development
- Local Economic Development
- Municipal Financial Viability and Management
- Good Governance and Public Participation
- Spatial Rationale

Key achievements over the review period include the following:

- a) Highly credible IDP for the past 5 years.
- b) Unqualified report for the past 4 consecutive years.
- c) Clean audit in 2010/11 Financial Year.

1.1.2 The year ahead

It is important to maintain the clean audit and assist the locals to achieve the same audit outcome on or before 2014. Senior managers and councillors should create an environment which supports the achievement of a clean audit. A truly credible IDP document must reflect that it is a five year strategic document. The municipality must improve its capacity to implement IDP projects.

- a) Implementation of plans, policies and strategies.
- b) Resolving the issue of roads classification.
- c) Lack of staff in certain functional areas.
- d) Establishment of a functional WEDA.
- e) Follow-up on Public Participation programmes.
- f) Lack of investment in LED infrastructure.
- g) Retaining the unqualified audit report.
- h) All other challenges which are detailed in this report.

Individually and collectively we are indebted to our predecessors in governance and at the same time we have become successors in title.

**NR MOGOTLANE
EXECUTIVE MAYOR**

1.2 OVERVIEW OF WATERBERG DISTRICT MUNICIPALITY

Waterberg District Municipality is one of the five district municipalities found in the Limpopo Province, South Africa. It is positioned on the Western part of the Province and comprises of six local municipalities namely, Bela- Bela, Lephalale, Modimolle, Mogalakwena, Mookgophong and Thabazimbi. It is strategically positioned – not far from Gauteng Province, Northwest Province and also not far from Botswana either.

Like all the other district municipalities in the Limpopo Province, it is still facing developmental challenges and does not have adequate resources to provide basic services as enshrined in the Constitution, Vision 2014 and the Millennium Development Goals... Waterberg District Municipality is not a water services authority. It therefore provides services such as municipal health, fire fighting and disaster management. The population in terms of Census 2001 is 614 041, as compared to the 514 044 of Community Survey of 2007. In all these statistics, the majority is the Africans and they live in the 198 villages which spread through the length and breadth of the district area.

Despite all the development challenges, Waterberg District Municipality is the undiscovered Gem of South African Treasures, land of intense beauty and colour reflected in the environment and its people. It has comparative advantages in mining, tourism and agriculture which cannot be matched by any district in the province. The development of Medupi power station in Lephalale has the potential to influence the lives of the communities of Waterberg in a positive way.

POWERS AND FUNCTIONS

Currently Waterberg District Municipality performs the following core- functions only:

- Municipal Health Services
- Fire Fighting Services
- Local Economic Development & Tourism
- Municipal Planning
- Air Pollution
- Municipal Abattoir
- Disaster Management

Local Municipality	Number of Wards
1. Bela-Bela	9
2. Lephalale	12
3. Modimolle	9
4. Mogalakwena	32
5. Mookgophong	5
6. Thabazimbi	12
TOTAL	79

Population Statistics: Census 2001

Local Municipality	Population	No of Households	% of District Municipality
Bela-Bela	52 122	12 279	8,4
Lephalale	96 074	23 401	15,6
Modimolle	72 797	17 536	11,9
Mogalakwena	298 419	68 010	48,6
Mookgophong	30 746	6 977	5,0
Thabazimbi	63 881	20 280	10,4
WATERBERG	614 041	148 483	100

Source: Statistics South Africa, Community survey 2007

Labour force

	2001 Census	2007 Community Survey
Employed	140 377	141 170
Unemployed	62 621	141 170
Not economically active	165 485	154 514

Income distribution

Monthly income	Number of people	Percentage
No income	244 390	42,25
R1- R400	137 601	23,79
R401- R800	40 662	7,03
R801- R1 600	83 763	14,48
R1 601- R3 200	24 357	4,21
R3 201- R6 400	22 054	3,81
R 6 401—R12 800	16 405	1,00
R12 801- R25 600	5 799	1,00
R25 601-R51 200	2 097	0,36
R51 201- R102 400	852	0,15
R102 401-R 204 800	507	0,09
Over R204 801	333	0,06
		100

Source: Statistics South Africa, Community Survey 2007

Council Composition

Waterberg District Council has 33 seats and one of which remains vacant. The Council comprises of 32 councillors of which 13 are directly elected whilst 19 are indirectly elected. Three traditional leaders attend the councillors represented hereunder are reflected as from March 2006 to date.

Members of Council

Executive Mayor	:	Councillor NR Mogotlane
Speaker	:	Councillor MAD Monama
Chief Whip	:	Councillor NS Morumudi

Members of Mayoral Committee	:	Councillor KJBaloyi
		Councillor KS Lamola
		Councillor MMA Mogotsi
		Councillor SM Molekwa
		Councillor BS Mhlanga
		Councillor RZ Moeletsi
		Councillor ML Moremi

Councillors	:	Councillor G Mojela
		Councillor MP Nyama
		Councillor MP Kekana
		Councillor RL Mahlaela
		Councillor LJ Lebelo
		Councillor LC Kganyago
		Councillor MJ Sekhu
		Councillor MM Moseameedi
		Councillor RN Monene
		Councillor ME Manganyi
		Councillor LN Ngwetjana
		Councillor DP Motlohoneng
		Councillor MD Phokela

Councillor SC Sikwane		Councillor RA Ramogale
		Councillor PA Scruton

	Councillor GB Koadi
	Councillor MJ Selokela
	Councillor LS Manamela
	Councillor MH Ledwaba
	Councillor RM Radebe

Traditional leaders:

Kgoshi PT Matlala
Kgoshi MS Ledwaba
Kgoshi PD Seleka

Section 80 Committees:

SOCIAL DEVELOPMENT		
Chairperson : Councillor BS Mhlanga Old Chairperson: MJ Rakgwale	Members : Councillor DP Motlouneng Councillor MJ Selokeka Councillor FM Masalesa Councillor MJ Sekhu Kgoshi TP Matalala	Members : Councillor TP Mphahlele Councillor ML Moremi Councillor L Seanego Councillor M Selomo
INFRASTRUCTURE		
Chairperson : Councillor KS Lamola Old chairperson: Councillor RE Mothibi	Members : Councillor RN Monene Councillor NG Mojela Councillor AF Basson Councillor LN Ngwetjana	Members : Councillor MAD Monama Councillor RN Monene Councillor SM Molekwa Councillor J Vreugdenburg Councillor RJ Makgoba
BUDGET & TREASURY		
Chairperson : Councillor KJ Baloyi Old chairperson : Councillor SJ Madela	Members : Councillor MH Ledwaba Councillor LJ Lebelo Councillor PA Scruton Councillor AR Ramogale	Members : Councillor MM Lamola Councillor AE Basson Councillor MP Modiba Councillor SK Makgae
PLANNING & ECONOMIC DEVELOPMENT		
Chairperson : Councillor SM Molekwa Old chairperson : Councillor SM Molekwa	Members : Councillor MM Moseamedi Councillor ME Manganyi Councillor JJ Abrie Kgosi PD Seleka	Members : Councillor LW Van Asgewen Councillor PH Tsebe Councillor ME Lefawane Councillor GS Matsietsa Councillor MP Kekana
COMMUNITY SERVICES		
Chairperson : Councillor RZ Moeletsi	Members : Councillor MP Nyamah Councillor RI Mahlaela Councillor GB Koadi Councillor RM Radebe	Councillor KN Ramohale Councillor MA Setlhare Councillor JD Van Heerden Councillor TE Mokhonana
TRANSFORMATION & ADMINISTRATION		
Chairperson : Councillor ML Moremi Old Chairperson: Councillor MD Mabote	Members : Councillor OO Modise Councillor VB Machine Councillor LS Manamela Councillor MP Kekana	Members : Councillor OO Modise Councillor VB Machine Councillor LS Manamela Councillor MP Kekana

SPECIAL PROJECTS		
Chairperson : MMA Mogotsi	Members : Councillor NM Sethoga Councillor RLR Monoa Councillor MD Phokela Kgosi MS Ledwaba	

NB : New members of the Portfolio Committee were appointed only in July 2011 and Gender and Sports Portfolio Committee was renamed whilst an extra Portfolio Committee was also established.

1.3. EXECUTIVE SUMMARY

This is the fifth annual report which ended the third sitting of the municipalities on 02 March 2011. Once again the administration is bound to genuinely and honestly reflect on its effectiveness and efficiency as an institution and the extent to which service delivery were dealt with for the period under review.

The municipality was able to fast-track its IDP/Budget processes in order to be able to deal with the local government elections which took place on 18 May 2011. Despite the speed with which things were done, the issue of public participation was not compromised. In all the past years, the IDP of the district could only be highly credible.

The outgoing Council will be remembered for obtaining unqualified audit opinions for four consecutive years which can be used as a solid foundation for working towards a clean audit. As a clean audit ambassador since 2009, Waterberg District Municipality had strived to live up to its hard earned status. For the year under review the municipality was able to obtain a clean audit outcome.

On 30 June 2011, the SDBIP shows that 53 % of projects were completed. It is an indication that roll over projects are still a problem. It is worth reporting that the strategic documents are now fully integrated as evidenced by the Midyear Budget and Performance Report, Annual Report, IDP/Budget and SDBIP.

The success of Waterberg lies in the commitment and the quality of its human resources. The consistent achievement of an unqualified audit opinion is not only an indication of the existence of an effective systems and procedures but it also the expression of leadership which is provided on a daily basis. The various stakeholders in their sizes and forms have all contributed to this success.

This report is a true reflection of the activities of the municipality under period of review. Indeed the challenge of success is its ability to be sustained. The success story of Waterberg cannot be separated from its people which people exerted themselves on the tasks at hand

Management has made a deep and wide analysis of the performance of the municipality and has a plan to improve on the identified weaknesses. It will continue to be inspired by its vision and values. The community expects from the municipality no less services than it deserves.

**MV LETSOALO
MUNICIPAL MANAGER**

CHAPTER 2: PERFORMANCE HIGHLIGHTS

The performance of the municipality is informed by its principal strategic document namely the IDP and the budget. Performance is measured against targets which are enshrined in the SDBIP and relates also to the Mid- Year Report which was submitted in January 2011. The capital projects are contained in the IDP.

2.1 Key Performance Indicators

KPA	2009/10	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
GGPP	90%	100%	To develop and implement integrated management and governance systems	Average % of AG audit queries resolved	100%	Management letter& Internal Audit report	None
GGPP	90%	90%	To develop and implement integrated management and governance systems	% of Council resolutions implemented within timeframe	80%	Council resolutions register	None
	100%	100%	To develop and implement integrated management and governance system	% of IGR resolutions related to WDM implemented within time frames	70%	Resolution register of the Municipal Managers Forum and the Mayors Forum	Monitor the Implementation of Resolutions
	4	4	To develop and implement integrated management and governance system	Number of public notices made	4	Newspapers cuttings	None
	4	4	To develop and implement integrated management and governance systems	Number of performance assessments done	2	Performance Audit Committee Report	Follow a Performance Assessment Schedule
	1	1	To develop and implement integrated management and governance system	High credible IDP document	1	MEC Report	None

KPA	2009/10	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
	3	4	To develop and implement integrated management and governance system	Number of risk management meetings held	4	Risk Management Report/Attendance register	None
	10	10	To develop and implement integrated management and governance system	Number of Portfolio Committees held	7	Council Attendance	None
	4	4	To develop and implement integrated management and governance systems	Number of departmental staff meetings convened	3	SDBIP Report	None
	100%	100%	To develop and implement integrated management and governance system	% of IDP Representative Forum meetings attended	100%	Minutes & Attendance register	None
	3	4	To develop and implement integrated management and	% of District Municipals' Forum meetings attended	4	Minutes & Attendance Register	None
	4	0	To develop and implement integrated management and governance systems	Number of contract management reports submitted	4		None

KPA	2009/ 10 Actual result	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
	4	4	To improve financial viability	Number of CFOs Forum meeting held	1	SDBIP Report	Develop and follow CFO Schedule
	0	0	To improve financial viability	% of financial cluster resolutions implemented within time frames	100%	SDBIP Report	Implement Resolutions Plan
	3	4	To empower community and instill a sense of ownership for development	Number of local izimbizo attended	2	SDBIP Report	Follow DIGF Schedule
	100%	100%	To empower community and instil sense of ownership for development	Number of Premier izimbizo attended	100%	SDBIP Report	None
	80%	100%	To empower community and instil a sense of ownership for development	Number of Presidential Izimbizo attended	100%	SDBIP Report	None

KPA	2009/10	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
SD	100%	90%	To resource manage infrastructure and improve service for access and mobility	Percentage of water samples complying to standards	90%	SDBIP Report	Follow Schedule
	4	11	To resource manage infrastructure and improve service for access and mobility	Number of food control committee meetings held	11	SDBIP Report	None
	50%	100%	To resource manage infrastructure and improve service for access and mobility	Percentage of Social Cluster Meeting Resolutions implemented	90%	SDBIP Report	None
SD	4	4	To resource manage infrastructure and improve service for access and mobility	Number of health and hygiene awareness campaigns held	4	SDBIP Report	None
SD	80%	80%	To resource manage infrastructure and improve service for access and mobility	Percentage of food outlets complying to standards	90%	SDBIP Report	None
SD	100%	100%	To resource manage infrastructure and improve service for access and mobility	Percentage of food samples complying to standards	100%	SDBIP Report	None

KPA	2009/10 Actual result	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
SD	4	4	To resource manage infrastructure and improve service for access and mobility	Number of district health meetings attended	4	SDBIP Report	None
SD	80%	90%	To resource manage infrastructure and improve service for access and mobility	Percentage of Municipal Health complaints resolved within 5 days	90%	SDBIP Report	None
SD	100%	90%	To resource manage infrastructure and improve service for access and mobility	Percentage of Initiation schools complying to standards	90%	SDBIP Report	None
SD	100%	100%	To resource manage and improve infrastructure and improve service for access and mobility	Percentage of pest control premises inspected	100%	SDBIP Report	None
SD	100%	100%	To resource manage and improve infrastructure and improve service for access and mobility	Percentage of referred food poisoning cases investigated within 5 days	100%	SDBIP Report	None
SD	100%	100%	To resource manage and improve infrastructure and improve service for access and mobility	Percentage of communicable diseases cases investigated within 5 days of reporting	100%	SDBIP Report	None
SD	100%	100%	To resource manage and improve infrastructure and improve service for access and mobility	Percentage of licensed chemical premises monitored on chemical safety	56%	SDBIP Report	Develop and implement Monitoring Schedule

KPA	2009/11 Actual result	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
SD	100%	100%	To resource manage and improve infrastructure and improve service for access and mobility	% of schools monitored on health conditions	100%	SDBIP Report	None
SD	100%	100%	To resource manage infrastructure and improve access and mobility	Percentage reduction in disaster	100%	SDBIP Report	None
SD	100%	100%	To resource manage and improve infrastructure and improve service for access and mobility	Percentage of complaints on air ,water, and land pollution attended within 5 days	100%	SDBIP Report	None
SD	37%	100%	To resource manage infrastructure and improve service for access and mobility	Percentage of landfill sites complying to legislative requirements	100%	SDBIP Report	None
SD	4	4	To resource manage infrastructure and improve services	Number of energy forum meetings held	4	SDBIP Report	None
SD	100%	100%	To resource manage and improve infrastructure and improve service for access and mobility	Percentage of funeral undertakers premises inspected for compliance	100%	SDBIP Report	None
SD	4	4	To resource manage infrastructure and improveservice for access and mobility	Number of MIG Co-ordination meetings	4	SDBIP Report	None
SD	73%	100%	To resource manage infrastructure	Percentage of projects completed	50%	Project Status report	None

			and improve access and mobility	within budget			
KPA	2009/10 Actual result	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
SD	-	60%	To resource manage infrastructure and improve access and mobility	Percentage of Turnaround strategies initiatives implemented	50%	MTAS Report	Mobilise resources to fund some projects
SD	73%	100%	To resource manage infrastructure and improve access and mobility	Percentage of projects implemented on time	50%	Project Status Report	Improve on Monitoring and Evaluation
SD	-	100%	To resource manage and improve infrastructure and improve service for access and mobility	Percentage of fire calls responded to in time	100%	Disaster Risk Management Report	None

KPA	2009/10 Actual result	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
LED	1	1	To ensure optimal utilisation of space economy	Number of EPWP projects implemented	1	Project Status Report & SDBIP Reports	None
LED	91	70	To ensure optimal utilisation of space economy	Number of jobs created through capital infrastructure projects	85	SDBIP Reports	None
LED	10	40	To ensure optimal utilisation of space economy	Number of jobs created through LED projects	30	SDBIP Reports	None
FVM	53%	100%	To improve financial viability	Percentage of MSIG utilisation	100%	SDBIP Reports	None
FVM	34%	10%	To improve financial	Less than 10% variance on	52%	SDBIP Reports	Improve on Contract

			viability	capital works plan			Management
FVM	14%	10%	To improve financial viability	Less than 10% variance on operating budget	22,98%	SBBIP Report	Filling of vacant posts

KPA	2009/10 Actual result	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
FVM	100%	100%	To improve financial viability	Percentage of GRAP Compliance of Asset Register	100%	SDBIP Reports	None
FVM	100%	100%	To improve financial viability	Percentage of debt coverage	305%	Investment Portfolio	None
FVM	48%	50%	To improve financial viability	Percentage of service debtors to revenue	5%	SDBIP Report	Implement Debt Collection Strategies
FVM	100%	100%	To improve financial viability	Percentage of cost coverage	305%	SDBIP Reports	None
FVM	12	16	To improve financial viability	Number of project status report on capital budget spent	16	Project Status Report	None

KPA	2009/10 Actual result	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
FVM	3	4	To improve financial viability	Number of contract management reports submitted	4	Contract Management Reports	None
FVM	1	1	To improve financial viability	Annual Financial Statements drafted and submitted by 31 August	1	Submitted letter on 31 August 2011	None
FVM	12	12	To improve financial viability	Number of MFMA s71 reports submitted	12	SBIP Report	None

FVM	12	12	To improve financial viability	Number of MFMA s52 reports submitted	12	SDBIP Report	None
FVM	12	12	To improve financial viability	Number of MFMA s 66 reports submitted	12	SDBIP Report	None

KPA	2009/10 Actual result	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
FVM	1	1	To improve financial viability	Number of MFMA Annual Report submitted	1	Project Status Report	None
FVM	12	12	To improve financial viability	Number of monthly finance management grant reports	12	Project Status Report	None
FVM	-	5	To improve financial viability	Average Number of days return time on internal operating orders	2	SDBIP Report	None
FVM	-	100%	To improve financial viability	Percentage of tenders adjudicated within 90 days of closure of tender	100%	SDBIP Report	None
FVM	66%	80%	To improve financial viability	Percentage of contracts awarded to companies with level 4 BBBEE scorecard rating	84%	SDBIP Report	None

KPA	2009/10 Actual result	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
FVM	30%	35%	To improve financial viability	Percentage of contracts awarded to Youth	40%	Annual Economic Empowerment Report	None
FVM	44%	35%	To improve financial viability	Percentage of contracts awarded to women	23%	Annual Economic Empowerment Report	Increase Preferential Points for women
FVM	12	12	To improve financial viability	Number of FMG reports submitted	12	SDBIP Report	None
FVM	0	8%	To improve financial viability	Percentage of contracts awarded to People with disabilities	0%	Annual Economic Empowerment Report	Develop Strategy to assist PWD with tendering processes
TOD	-	100%	To attract, develop and retain best human capital	Percentage of municipality's operating budget spent on WSP	70%	SDBIP Report	Follow up on Resolutions Report
TOD	90%	90%	To attract, develop and retain best human capital	Percentage of budgeted vacant posts filled	92%	SDBIP Report	Follow up on Resolutions Schedule
TOD	3	4	To attract, develop and retain best human capital	Number of District Municipal Managers Forum meeting held	3	Resolutions Report and Attendance Register	Follow IGR Schedule
TOD	100%	100%	To attract, develop and retain best human capital	Percentage of local imbizo issues resolved	80%	SDBIP Report	Follow IGR Schedule

KPA	2009/10	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
TOD	100%	100%	To attract, develop and maintain best human capital	Percentage of first 3 level employee voluntary turnover rate	100%	SDBIP Report	None
TOD	100%	100%	To attract, develop and retain best human capital	Average percentage of employee satisfaction rating	57%	Audit Query Resolution Plan	None
TOD	90%	95%	To attract ,develop and retain best human capital	Percentage of people from EE target groups in 3 highest levels management	95%	SDBIP Report	None
TOD	4	4	To attract, develop and retain best human capital	Number of G& A cluster meetings held	4	SDBIP Report	None
TOD	4	4	To empower the community and instil sense of ownership of development	Number of Economic cluster meeting held	4	SDBIP Report	None
TOD	4	4	To empower the community and instil the sense of ownership of development	Number of Infrastructure cluster meeting held	4	SDBIP Report	None
TOD	4	0	To empower the community and instil the sense of ownership	Number of Social cluster meeting held	1	SDBIP Report	None
TOD	4	1	To empower the community and instil sense of ownership	Number of CFO forum meeting held	4	SDBIP Report	None

KPA	2009/10 Actual result	20010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
GGPP	80%	100%	To empower the community and instil a sense of ownership of development	Percentage of identified risks addressed	50%	Risk Management Report	Commitment to implement Plan
GGPP	3	4	To empower the community and instil sense of ownership	Number of IDP Representative Forum meetings held	4	SDBIP Report	Follow IDP Process Plan
GGPP	6	4	To empower the community and instil sense of ownership of development	Number of IDP road shows held	4	SDBIP Report	None
GGPP	4	4	To empower community and instil sense ownership of development	Number of Communicators forum meeting held	4	SDBIP Report	Develop and follow CCF
GGPP	4	4	To empower community and instil a sense of ownership of development	Number of OrdinaryCcouncil meeting held	4	SDBIP Report	None
GGPP	1	4	To empower community and instil a sense of ownership of development	Number of Speakers Forum meeting held	1	SDBIP Report	Develop and follow IGR Schedule
GGPP	4	1	To empower community and instil a sense of ownership of development	Number of Chief Whip Forum meeting held	1	SDBIP Report	Develop and follow IGR Schedule
GGPP	-	4	To empower community and instil a sense of ownership of development	Number of District HIV/AIDS Council meetings held	1	SDBIP Report	Develop and follow Schedule

KPA	2009/10 Actual result	2010/11 Targets	Strategic Objectives	KPI	2010/11 Actual result	Evidence	Remedial action
GGPP	-	4	To empower community and instil a sense of ownership of development	Number of District Disability Desk meetings held	3	SDBIP Report	Develop and follow Schedule
GGPP	-	100%	To empower community and instil a sense of ownership of development	Percentage of Mayoral Forum Meeting Resolutions	100%	SDBIP Report	None
GGPP	-	4	To empower community and instil a sense of ownership of development	Number of newsletters published	3	SDBIP Report	Unblock SCM related delays
GGPP	1	1	To empower community and instil a sense of ownership of development	Number of customer satisfaction surveys conducted	0	Performance Plans	Commitment to implement plan
GGPP	1	4	To empower community and instil a sense of ownership of development	Number of gender reports submitted	1	Performance Plans	Use Performance Plan for Special Projects
GGPP	100%	100%	To empower community and ownership of development	Percentage of DIF (IGR) resolutions implemented	70%	Performance Plans	Follow up on resolutions not executed

2.2 2010/11Capital Projects

The Annual Reports uses the original figures of the IDP without considering the Adjustments Budget figures

KPA	Name of project	IDP No	2010/11 Budget	Strategic Objectives	Target	Actual budget spent	Actual result	Evidence	Status
BSD	Waste Management- Development of Landfill Sites	SE05	R926 359	To resource manage infrastructure and service for access and mobility	100%	R390 675	48%	Project Status Report	Completed
BSD	Air quality- Review of Environmental Management Plan & Integrated Waste Management Plan	SE10	R348 886	To resource manage infrastructure and service for access and mobility	100%	R348 886	100%	Project Status Report	Completed
BSD	Arbor Day Programme	SE13	R6 000	To resource manage infrastructure and service for access and mobility	100%	R6 000	1005	Project Status Report	Completed
BSD	Training of Green Scorpions	SE11	R51 000	To resource manage infrastructure and service for access and mobility	100%	R51 000	100%	Project Status Report	Completed
BSD	Air quality Emissions Inventory	SE13	R320 735	To resource manage infrastructure and service for access and mobility	100%	R288 985	90%	Project Status Report	Completed
BSD	Working for Water Programme	SE14	R45 023	To resource manage infrastructure and service for access and mobility	100%	R45 023	100%	Project Status Report	Completed
BSD	WDM- Purchase of 4 Spare BA Cylinders	DM06	R10 000	To resource manage infrastructure and service for access and mobility	100%	R10 000	100%	Project Status Report	Completed

KPA No	Name of project	IDP No	2010/ 11 Budget	Strategic Objectives	Target	Actual budget spent	Actual result	Evidence	Status
BSD	Mookgophong-Equipment	DM11	R115 835	To resource manage infrastructure and service for access and mobility	100%	R115 835	100%	Project Status Report	Completed
BSD	Thabazimbi-Fire Engine	DM14	R751 106	To resource manage infrastructure and service for access and mobility	100%	R751 106	100%	Project Status Report	Completed
BSD	Bela-Bela- Skid units &Equipment	DM 17	R1 285 759	To resource manage infrastructure and service for access and mobility	100%	R665 079	50%	Project Status Report	Completed
BSD	Incident Management System	DM 22	R307 218	To resource manage infrastructure and service for access and mobility	100%	R207 218	67%	Project Status Report	Completed
BSD	Disaster Risk Awareness Program	DM23	R119 780	To resource manage infrastructure and service for access and mobility	100%	R107 279	90%	Project Status report	Completed
BSD	Early Warning System for Flood lines	DM24	R614 218	To resource manage infrastructure and service for access and mobility	100%	R403 649		Project Status Report	Completed
BSD	Lephala- Disaster Management Centre Environmental Impact Assessment	DM02	R 1900 500	To resource manage infrastructure and service for access and mobility	100%	R 1 557 872	100%	Project Status Report & Pumper Vehicle	Completed

KPA	Name of project	IDP No	2010/11 IDP Budget	Objectives	Target	Actual budget spent	Actual result	Evidence	Status
BSD	Bela-Bela-Skid Units	DM17	R 1 285	To resource manage infrastructure and service for access and mobility	100%	R665 079		Project Status Report Vehicle & Equipment	Completed
BSD	Lephala Municipal Turnaround Strategy Support	IN35	R1 000 000	To attract, develop and retain best human capital	100%	R974 082	97%	Project Status Report	Completed
BSD	<i>Incident Management</i>	DM22	R307 218	To resource manage infrastructure and service for access and mobility	100%	R207 218	67%	Skid unit & water tank	Completed
BSD	Upgrading of existing Trained Fire Fighting volunteers	IN22	R100 000	To resource manage infrastructure and service for access and mobility	100%	R000	0%	Project Status Report	Incomplete
BSD	Purchase of unimog	DM12	R1 145 000	To resource manage infrastructure and service for access and mobility	100%	R1 145 000	100%	Project Status Report	Completed
BSD	Disaster Risk Management Toll Free Number	DM25	R500 000	To resource manage infrastructure and service for access and mobility	100%	R 2 218	0,4%	Project Status Report	Incomplete
BSD	Information Management System	DM26	R900 000	To resource manage infrastructure and service for access and mobility	100%	R355 332	39%	Project Status Report	Completed
BSD	Groblersbrug - Port of Entry	DN29	R242 600	To resource manage infrastructure and service for access	100%	R82 680	34%	Project Status Report	completed

KPA	Name of project	IDP No	2009/ 10 IDP Budget	Objectives	Target	Actual budget spent	Actual result	Evidence	
BSD	Lephalale Disaster Management Centre Hydraulic Generator	DM29	R208 547	To resource manage infrastructure and service for access and mobility	100%	R208 547	100%	Project Status Report	Completed
BSD	Maintenance of landfill sites	SE017	R2 000 000	To resource manage infrastructure and service for access and mobility	100%	R 1 144 316	100%	Project Status Report	Completed
KPA No	Name of project	IDP No	2010/ 11 Budget	Strategic Objectives	Target	Actual budget spent	Actual result	Evidence	Status
LED	Feasibility study of the Wildlife Centre	UE34	R3 000 000	To resource manage infrastructure and service for access and mobility	100%	R2 600 744	80%	Project Status Report	Completed

KPA	Name of project	IDP No	2010/ 11 IDP Budget	Objectives	Target	Actual budget spent	Actual result	Evidence	Status
LED	Tourism development	UE31	R582 471	To ensure optimal utilisation of space economy	100%	R582 471	100%	Project Status Report	Completed
LED	Co-ordination of Districtwide LED	UE31	R37 529	To ensure optimal utilisation of space economy	100%	R37 529	100%	Project Status Report	Completed
LED	Biosphere Meander	UE40	R180 000	To ensure optimal utilisation of space economy	100%	R180 000	100%	Project Status report	Completed
LED	WEDA	UE41	R980	To ensure optimal	100%	R980	100%	Project Status	Completed

				utilisation of space economy				Report	
LED	Modimolle- Upgrading of electricity	EL06	R2 000 000	To resource manage infrastructure and service for access and mobility	100%	R2 000 000	100%	Project Status Report	Completed
LED	WDM- Integrated Transport Plan	CO23	R130 702	To ensure optimal utilisation of space economy	100%	R130 702	100%	Project Status Report	Completed
LED	Modimolle- &Belal- BelaSecurity Cameras	UE43	R800 000	To resource manage infrastructure and service for access and mobility	100%	R280 000	35%	Project Status Report	Incomplete
LED	Modmolle Ring Road	RS21	R2 690 061	To resource manage infrastructure and service for access and mobility	100%	R294 347	10%	Project Status Report	Incomplete
LED	Bela-Bela- Paving of Radium	RS40	R2 740 093	To resource manage infrastructure and service for access and mobility	100%	R920 456	11%	Project Status Report	Incomplete

KPA	Name of project	IDP No	2009/10 IDP Budget	Objectives	Target	Actual budget spent	Actual result	Evidence	Status
BSD	Mogalakwena- Street tarring	RS41	R3 147 912	To resource manage infrastructure and service for access and mobility	100%	R448 278	14%	Project Status Report	Incomplete
FVM	Safety & Security Summit	CO23	R94 010	To empower the community and instil sense of	100%	R94 010	100%	Project Status Report	Completed

				ownership of development					
LED	Arrive Alive Campaign	TR06	R200 000	To empower the community and instil sense of ownership of development	100%	R177 103	100%	Project Status Report	Completed
TOD	IT Discovery Recovery Plan	IN38	R851 630	To develop and implement of integrated management and governance System	100%	R851 630	100%	Project Status Report	Completed
TOD	Procurement of Movable Assets	IN17	R574 090	To develop and implement integrated management and governance systems	100%	R545 820	100%	Project Status Report	Completed
TOD	Performance Management System	IN24	R938 385	To develop and implement integrated management and governance systems	100%	R861 680	100%	Project Status Report	Completed
GGPP	Communication & Public Participation	CO09	R88 804	To develop and implement integrated management and governance systems	100%	R88 804	100%	Project Status Report	Completed
GGPP	Municipal Local Elections & Service Delivery Imbizo	CO11	R798 851	To develop and implement integrated management and governance systems	100%	R798 851	100%	Project Status Report	Completed

KPA	Name of project	IDP No	2010/11 Budget	Strategic Objectives	Target	Actual budget spent	Actual result	Evidence	Status
GGPP	District Public Participation-IDP	CO12	R400 000	To develop and implement integrated management and governance systems	100%	R400 000	100%	Project Status Report	Completed
GGPP	Learning & Sharing	CO14	R89 246	To develop and implement integrated management and governance systems	100%	R89 246	100%	Project Status Report	Completed
GGPP	Production of diaries & dairies & desktops	CO13	R16 400	To develop and implement integrated management and governance systems	100%	R16 400	100%	Project Status Report	Completed
GGPP	Moral regeneration	CO15	R150 000		100%	R6 900	5%	Project Status Report	Completed
GGPP	Gender	-	R200 000	To develop and implement integrated management and governance systems	100%	R101 665	51 %	Project Status Report	Completed
GGPP	HIV/AIDS	-	R150 000	To develop and implement integrated management and governance systems	100%	R90 664	60%	Project Status Report	Completed

KPA	Name of project	IDP No	2009/10 IDP Budget	Objectives	Target	Actual budget spent	Actual result	Evidence	
GGPP	People with Disability	C018	R100 000	To develop and implement integrated management and governance systems	100%	R50 000	50%	Project Status Report	Completed
GGPP	Youth & Youth Indaba	CO19	R133 839	To develop and implement integrated management and governance systems	100%	R133 839	100%	Project Status Report	Completed
GGPP	16 Days of activism Against women and child abuse Women Business Summit	CO16	R170 166	To empower community and instil sense of ownership of development	100%	R170 166	100%	Project Status report	Completed
GGPP	Executive Mayor-Soccer Development Tournament	SC09	R300 000	To empower community and instil sense of ownership of development	100%	R300 000	100%	Project Status report	Completed
GGPP	Women in Sports & National Women's Month	SC10	R91 432	To empower community and instil sense of ownership of development	100%	R91 432	100%	Project Status Report	Completed
	District Cultural Festival	SC11	R78 925	To empower the community and instil sense of ownership of development	100%	R78 925	100%	Project Status Report	Completed

KPA No	Name of project	IDP No	2010/11 Budget	Strategic Objectives	Target	Actual budget spent	Actual result	Evidence	Status
GGPP	Co-ordination of Moral Regeneration & District Moral Regeneration Summit	CO15	R68 817	To empower the community and instil of ownership of development	100%	R68 925	100%	Project Status Report	Completed
GGPP	Batho Pele celebration	CO25	R200 000	To empower the community and instil a sense of ownership of development	100%	R200 000	100%	Project Status Report	Completed

2.3 Roll over projects

IDP No	Name of Project	10/11 Budget Amount	Project Year	Strategic objectives	Target	2010/11 Actual budget	Actual result	Evidence
HW04	Ga-Seleka Drop In Centre	R15 950	2010	To resource manage infrastructure and service for access and mobility	100%	R00	0%	Project Status Report
DM02	Construction of Lephalele Disaster Management Centre	R2 665 682	2010	To resource manage infrastructure and access to service and mobility	100%	R2 445 352	92%	Project Status Report
DM14	Thabazimbi Fire Truck	R 1 776 795	2010	To resource manage infrastructure and access to service and mobility	100%	R906 527	51%	Project Status Report
DM21	Wendy Houses/ Disaster Relief Tents	R868 000	2010 & 2011	To resource manage infrastructure and access to service and mobility	100%	R434 000	50%	Project Status Report

IDP No	Name of Project	10/11 Budget Amount	Project Year	Strategic objectives	Target	2010/11 Actual budget	Actual result	Evidence
	Upgrading of the abattoir(Phase 2)	R2 931 934	2010	To resource manage infrastructure and access to service and mobility	100%	R57 529	2%	Project Status Report
UE29	WEDA	R23 261	2010	To ensure optimal utilisation of space economy	100%	R21 294	92%	Project Status Report
BSD	Incident Management System	R3	2011	To develop and implement integrated management and governance systems	100%	R207 218	67%	Project Status Report
6	Signage	R803 350	2011		100%	R4 040		Project Status Report
7	Modimolle&Bela-Bela Security Cameras	R800 000	2010	To resource manage infrastructure and access to service and mobility	100%	R00	100%	Project Status Report
8	2010 World Cup Co-ordinating Committee	R 736 704	2010	To empower the community and instil sense of ownership of development	100%	R171 311		Project Status Report
9	Biosphere Reserve Development Strategy	R657 450	2009/10	To ensure optimal utilisation of space economy	100%	R565 393	39%	Project Status Report
10	Skills Development Strategy & SMMEs	R110 486	2008/09	To ensure optimal utilisation of space economy	100%	R110 486	0%	Project Status Report

IDP No	Name of Project	10/11 Budget Amount	Project Year	Strategic objectives	Target	2010/11 Actual budget	Actual result	Evidence
11	Completion of Modimolle Ring Road	R2 230 161	2010	To resource manage infrastructure and access to service and mobility	100%	R00	0%	Project Status Report
	Mogalakwena Street Tarring	R247 795	2011	To resource manage infrastructure and access to service and mobility	100%	R247 795	0%	Project Status Report
12	Conveyancing	R750 900	2008/9	To resource manage infrastructure and access to service and mobility	100%	R292 876	39%	Project Status Report
13	Implementation of WDM Land Use Policy	R581 470	2010	To resource manage infrastructure and access to service and mobility	100%	R12 320	87%	Project Status Report
14	Communication	R917 348	2009 & 2010	To empower the community and instil sense of ownership of development	90%	R589 550	64%	Project Status Report
15	District Public Participation- EMO	R714 560	.2010	To empower the community and instil sense of ownership of development	100%	R00	100%	Project Status Report
16.	District Public Participation- IDP	R600 000	2010 & 2011	To empower the community and instil sense of ownership of development	100%	R238 090	40%	Project Status Report

IDP No	Name of Project	10/11 Budget Amount	Project Year	Strategic objectives	Target	2010/11 Actual budget	Actual result	Evidence
17	Learning & Sharing	R20 000	2010	To empower the community and instil sense of ownership of development	100%	R920 456	34%	Project Status Report
18	HIV/AIDS	R140 663	2010	To empower the community and instil sense of ownership of development	100%	R90 664	64%	Project Status Report
19	Anti Fraud Hotline	R150 000	2010	To develop and implement integrated management and governance systems	100%	R42 168	95%	Project Status Report
20	Golf & life Skills Development for Youth	R152 632	2011	To develop and implement integrated management and governance systems	100%	R152 632	0%	Project Status Report
20	Integrated Financial Management System	R200 000	2010	To develop and implement integrated management and governance systems	100%	R00	0%	Project Status Report
21	Service Delivery Summit	R 351 340	2010	To provide a sound district regulatory framework	100%	R00	0%	Project Status Report
22	Procurement of movable Assets	R543 166	2010	To improve financial viability	100%	R433 105	0%	Project Status Report

IDP NO.	Name of Project	2010/11 Budget	Project Year	Strategic objectives	Target	2010/11 Actual budget	Actual result	Evidence
23	Upgrade of Main Storeroom	R467 205	2010	To develop and implement integrated management and governance systems	100%	R467 205	0%	Project Status Report
24	Municipal Health information System(Water Sampling Software	R241 470	2010 & 2011	To develop and implement integrated management and governance systems	100%	R123 700	51%	Project Status Report
25	Team building Exercise	R269 533	2010	To empower the community and instil sense of ownership of development	100%	R00	0%	Project Status Report
26	IDP/Budget	R714 550	2009/10	To empower the community and instil a sense of ownership of development	100%		40,0%	Project Status Report
27	IDP/Budget	R11 943 413	2010/11	To empower the community and instil a sense of ownership of development	100%	R8 158 663	68.31%	Annual Report

2.4 External Service providers

No	Name of Service provider	Type of service	Date awarded	Completion date	Amount Awarded	Rating of service
1	Agricultural Land Use policy	Policy development	11/08/2010	31/03/2011	R569 150	4
2	Waterberg Chamber of Commerce	Surveillance cameras for WDM	05/08/2010	31/05/2011	R800 000	4
3	Fawcett Security	Security	02/09/2009	Ongoing	R393 264	4
4	Data Master Office Automatic CC	Photocopying	06/07/2010		R624 129	4
5	Khotso Development Specialist	EAI Assessment	31/08/2010	31/03/2011	R138 909	4
6	Open Spatial Solutions	GIS	15/10/2011	25/05/2011	R725 610	4
7	SIN Development Planning	Modimolle-CBD Development Plan	15/10/2011	30/06/2011	R458 500	4
8	The Practice Group 	Bela-Bela CDB Development Plan	15/10/2010	30/06/2011	R569 091	4
9	The Plan Associates	Mokopane-CBD Development Plan	12/11/2010	30/06/2011	R484 500	4
10	Global Continuity SA	Development of IT Recovery Plan	15/10/2010	30/06/2011	R972 420	4
11	Landfill Consulting CC	Development of Integrated Environmental Waste Management Plan	15/10/2010	30/06/2011	R382 561	4
12	Bela-Bela Local Municipality	Development of GRAP Compliance	19/11/2011	23/03/2011	R235 000	4
13	Human Communications	Advertisement	25/10/2010	Ongoing	Schedule	4
14	Fire Raiders	Supply of vehicle	25/11/2010	08/03/2011	R747 565	4
15	Moipone Group	Supply of fire fighting materials	25/10/2010	08/03/2011	R143 451	4

IDP No	Name of Project	10/11 Budget Amount	Project Year	Strategic objectives	Target	2010/11 Actual budget
16	Marco Fire Fighting	Supply of Vehicle & equipment	25/10/2010		R3 983 380	3
17	Marco Fire Fighting	Supply of 2 nd hand Heavy Duty Pumper	22/12/2010	10/05./2011	R1 305 300	4

	Name of Service provider	Type of service	Date awarded	Completion date	Amount awarded	Rating of service
18	Marco Fire Fighting	Supply of hydraulic generator	25/10/2010	01/03/2011	R228 900	4
19	Marco Fire Fighting	Supply of equipment	25/10/2010	31/01/2011	R67 419	4
20	Immediate Management Solutions	Upgrading of abattoir	22/12/2010	Ongoing	R4 280 334	4
21	Bembani Sustainability Training(Pty) Ltd	Development of inventory Emissions	22/10/2010	30/06/2011	R361 950	4
22	Tlou Integrated Technology	Bela- Bela paving of street	24/12/2010	On progress	R810 235	4
23	Ntsu Engineering Consultants	Mogalakwena Street paving	22/12/2010	On progress	R375 561	4
24	Phakama Knight Piesold (Pty)Ltd	Modimolle- Street paving	17/01/2011	On progress	R352 922	4
25	The Snyman Group	Development of early warning system	01/03/2011	On progress	R600 004	4
26	Disaster Risk Management	Development of Accident management system	01/03/2011	On progress	R299 022	4
27	Disaster Risk management	Development of information system	01/03/2011	On progress	R777 752	4
28	Disaster Risk Management	Development of Risk awareness Programme	01/03/2011	On progress	R57 831	4
29	Mookgophong Local Municipality	GRAP 17	22/03/2011	10/09/2011	R300 000	4
30	Alma Endurance Club	Horse endurance challenge	24/05/2011	On progress	R400 731	4

	Name of Service provider	Type of service	Date awarded	Completion date	Amount awarded	Rating of service
31	Lephalale Local Municipality	Skills Development	31 May 2011	On progress	R376 000	4
32	Ikando t/A IT Master	Implementation of VOIP System	11/04/2011	30/06/2011	R276 763	4
33	Institute for Performance Management	Implementation of PMS	20/05/2011	30/06/2011	R1 069 759	4
34	Lephalale Local Municipality	Implementation of Marapong Library	11/04/2011	On progress	R600 000	4
35	Keletshephile Trading Enterprise	Development of landfill sites	20/05/2011	On progress	R915 684	4
36	Ngwanawa Nono Business Enterprise	Bela-Bela Streetpaving	20/05/2011	On progress	R2 123 025	4
37	Mshengos Civil Works	Mogalakwena-Street tarring	24/05/2011	On progress	R2 649 960	4
38	Lesedisedi Construction Suppliers	Modimolle paving	20/05/2011	On progress	R2 064 817	4
39	MW Sebela Boreholes CC	Drought Risk Reduction measures	20/05/2011	On progress	R619 290	4
40	Fire Raiders	Bela-Bela Supply of equipments & vehicle	05/06/2011	On progress	R1 370 749	4

LIST OF UNSATISFACTORY SUPPLIERS FOR SERVICES RENDERED AS AT 30 JUNE 2011.11.30

No	Name of Service Provider	Type of service	Project Name	Amount awarded	Penalty	Rating of service	Dates
1	Sechele Incorporated	Legal	Conveyance	R480 000	2% penalty and account frozen for 2 years	1	01/08/2011
2.	Fire & Emergency Vehicles(Pty) Ltd	Supply Vehicle	Medium Pumper for Thabzimbi Local Municipality	R747 565	2% & penalty and account frozen for 2 years	1	23/08/2011

No	Name of Service Provider	Type of service	Project Name	Amount awarded	Penalty	Rating of service	Dates
3	Soft Technologies	Supply of Material s	Promotional material for Safety and Security Summit	R70 000	25% penalty and account frozen for 6 months	2	23/08/2011
4	Ariano 4CC	Upgrading of main storage	Upgrading of main storage	R553 624	5% and blacklisted for 2 years	2	22/09/2011
5	KM Maropola	Catering	Event for PWds	R2 750	5% penalty and blacklisted for 12 months	2	22/03/2011
6.	Moshashane Hiring Services	Hiring of tents, chairs and toilets	Tents,Tolielts	R31 350	Penalty of R1 200	2	13 /05/2011
7	Mlaki Business Enterprise	Catering	VIP catering	R9 500	10% penalty and a warning letter	2	17/05/2011
8.	Ndambi for hire	Catering	Mass catering of 350 people	R22 400	50% penalty and blacklisted for 12 months	2	17/05/2011
9	SIGN A RAMA	Provision of materials	Folders, names	R19 227	24% penalty and blacklisted for 24 months	2	20/06/2011

Legend

- 1= Failure
- 2= Neither failure nor success
- 3= Limited success
- 4= Successful
- 5= Very successful

2.5.Long term contracts

No	Name of service provider	Type of service	Period of contract	Completion date	Amount awarded
1	Three Diamonds T/A Northern Telkom	Supply, installation and delivery of telephone	60 months	28 February 2013	Schedule
2	Fawcett Security	Provision of security services	36 months	12 June 2012	R74 715 per month
3	Institute for Performance Management	Development and implementation of automated system	36 months	12 June 2012	Schedule
4	Badiredi Travel	Provision of accommodation and travel services	36 months	11 June 2011	Schedule
5	Verveen Attorneys	Provision of legal services	36 months	11 June 2011	Schedule
6	AON Risk Services	Provision of insurance services	36 months	12 June 2012	Schedule
7	First National Bank	Provision of banking services	36 months	14 October 2014	Schedule
8	Deloitte &Touche	Provision of anti fraud hotline service	36 months	12 March 2012	R464 997
9	Fawcett Security	Extension and provision of security service to Lephala Disaster Management Centre	27 months	12 February 2012	R961 199
11	AON Risk	Extension of insurance cover	36 months	12 June 2012	R356 064
12	Global Business Solutions	Provision of donor funding services	36 months	12 November 2012	R425 700
13	Data Master T/A Zerox	Leasing of photocopiers	36 months	31 July 2013	Schedule
14	Data Master T/A Zerox	Leasing of photocopier to Lephala Disaster Management centre	32 months	31 July 2014	Schedule

2.6. Measures to improve performance

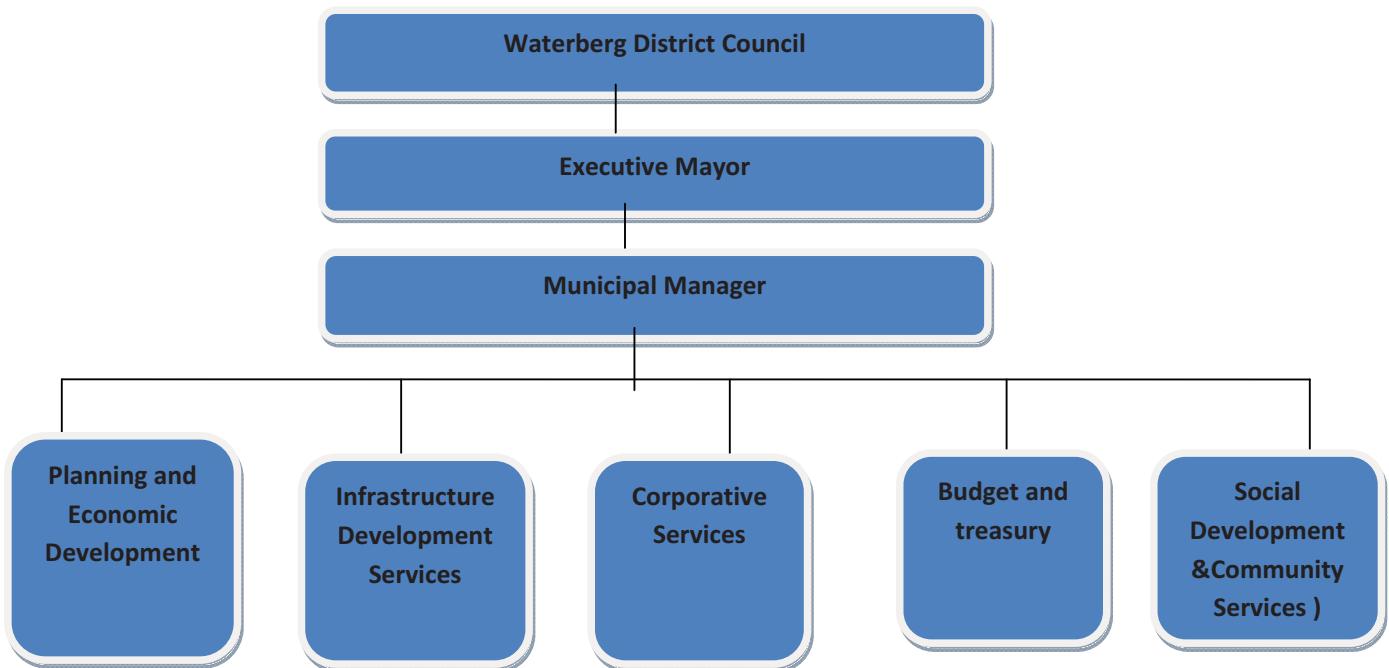
09/10 Audit Query	Progress	Evidence
1. Disclosure of interest	All councillors signed declaration of interest forms in 2010/11.	Signed declaration forms.
2. Authorisation of salary related payments.	Signing of all payments by authorised persons	Signed cheques
3. No proof on internal audit files review	Chief Internal Auditor signed all working papers	Signed working papers
4. Loss of disposal of assets	Proper preparation of Profit/loss of Asset Disposal Account	Posting of proceeds to Other Income
5. Inventory controls and policies	Development of Inventory system.	GRAP compliant Inventory System
6. Misstatements of creditors at year end	Expenses accounted for	Payroll system
7. Some of performance information could not be obtained	Information was submitted	Performance Report

Only seven queries were raised in 2009/10 which queries were resolved by 30 June 2011.

CHAPTER 3: HUMAN RESOURCES AND OTHER ORGANISATIONAL MANAGEMENT

3.1. Organisational Structure

Council approved the current organizational structure in 2007. An alignment between the Integrated Development Plan and the Organisational Structure still needs to be improved to accommodate changes in priorities. The plans to review the organizational structure in view of the realities of internal audit and other divisions are afoot and will be concluded during the adjustments budget in 2011. 90% of the budgeted positions were filled at the end of 2010/11 Financial Year.



3.2. Staff Information

Department	Total number of budgeted posts	Number of filled posts	Number of vacancies
Office of the Municipal Manager	12	9	3
Budget and Treasury Office	13	12	1
Corporate Support and Shared Services	20	16	4
Planning and Economic Development	27	26	1
Infrastructure Development	4	4	0
Social Development and Community Services	36	31	5
Office of the Executive Mayor	11	9	1
TOTAL	125	114	11

3.3. Employment Equity

Workforce as at 30 June 2010

Occupational levels	Male				Female				Total
	A	C	W	I	A	C	W	I	
Top Management	1								1
Senior Management	2			1		1		1	5
Professionally qualified and experienced specialists and mid management	13		3			9		2	27
Skilled technical and academically qualified workers junior management,	11		2			15			28
Semi-skilled and discretionary decision making	7					7			14
Unskilled and defined decision making	15					20	1		36
Total	49		5	1		52	1	3	114

3.4. Proposed numerical goals for 10/11

The numerical goals are informed by an Equity Plan which was adopted in 2007 and will be reviewed in 2011/12.

Occupational levels	Male				Female				Total
	A	C	W	I	A	C	W	I	
Top Management	1	0	0	0		0	0	0	1
Senior Management	3	0	0	1		1	0	1	6
Middle-Management	15	0	3	0		12	0	2	32
Skilled labour	14	0	2	0		23	1	0	41
Semi-skilled labour	10	0	0	1		0	0	3	28
Unskilled labour	16	0	0	1		18	2	0	37
Contract labour									
Total	59	0	2	6		70	2	1	147

3.5. Skills Development Programme (WSP)

The Annual Training Report regarding the implementation of the Workplace Skills Plan was submitted to Local Government Sector Education and Training (LGSETA) on 30 June 2011. There must be information provided in this section with the.

Programme	Number of beneficiaries	Budget spent	Service provider	Accreditation
Executive Leadership	2	R00	University of Pretoria	Yes
Adult Basic Education and Training	2	R00	Department of Education	Yes

Records Management	1	R7 000	Envision	Yes
Programme	Number of beneficiaries	Budget spent	Service provider	Accreditation
Fleet Management	1	R11 770	Fleet Cube	Yes
Accounts Payable	1	R8 548	Envision	Yes
Public Relations	1	R16 200	Envision	Yes
Protocol and Etiquette	10	R36 000	Think Tank	Yes
Advanced Computer Course	15	R90 000	Think Tank	Yes
Advance Office Administration	12	R82 082	Seanamarena	Yes
Corporate Governance	1	R9 000	Brainwave Events Management	Yes
Project Management	11	R78 000	University of Durban Westville	Yes
SCM Procurement and Bidding	8	R35 000	Excel Knowledge Consulting	Yes
Air quality monitoring	1	R13 000	University of Pretoria	Yes
Waste Disposal Management	6	R28 000	Kgabo Kedi Waste Management (pty) Ltd	Yes
Municipal Finance Management	3	R117 300	University of Pretoria	Yes
IDP Learnership	1	R00	DBSA	Yes
LED Learnership	2	R531 900	DBSA	Yes
National Certificate In Finance Management	1	R00	University of Johannesburg	Yes
	78	R531 900		

3.6. Personnel expenditure

Financial year	R	% of total expenditure
2005/06	16 737 306	14,2
2006/07	16 674 562	32,8
2008/09	32 052 559	31,1
2009/10	32 171 368	31,3
2010/11	37 950 528	35,8

3.7. Pension and Provident Fund

Name of fund	Number of employees
SAMWU National Provident Fund	1
Municipal Gratuity Fund	79
National Pension Fund for Municipal Workers	9
National Provident Fund for Municipal Workers	73
Municipal Employee Pension Fund	19
Government Employees Pension Fund	1
Municipal Joint Pension Fund	1
Municipal Councillors Pension Fund	
TOTAL	161

NB. Some of the staff members belong to both a Pension Fund and a Provident Fund.

3.8. Medical Funds

Name of medical fund	Number of members
Key Health	15
Bonitas	31
Hosmed	2
LA Health	46
SAMWUMed	3
TOTAL	97

The Municipality's actual expenditure for 2010/11 in respect of employer's contribution for both pension and medical aid amounted to R6 662 195.

3.9. Arrears owed

No loans were granted for councillors for the period under review and outstanding debts prior to the promulgation of the Municipal Finance Management Act were written off.

3.10. Salary disclosure

3.10.1 Councillors

Councillor	2007/08	2008/09	2009/10	2010/11
Full time Executive Mayor	R435 199	R538 575	R529 444	R516 207
Full time Speaker	R362 058	R430 860	R368 013	R417 530
Full time Mayoral Committee Member	R251 637	R403 931	R392 866	R423 404
Full time Chief Whip	R000	R000	R000	R36 336
6 Part time Mayoral Committee Members	R670 624	R714 565	R 827 667	R796 587
24 Part time Councillors	R1 146 221	R1 164 559	R1 315 314	R1 246 998
Traditional Leaders	R000	R000	R000	R000
TOTAL Council Contribution	R331 500	R3 252 490	R3 791 832	R3 824 518

The decrease in salaries in 2010/11 was due to the downgrading of the municipality from level 4 to level 3. Over and above the salaries, full time receive a monthly cell phone of R1 496 whilst part time councillors receive a monthly cell phone allowance of R933.

3.10.2. Senior Management

Position	2007/08	2008/09	2009/10	2010/11
Municipal Manager	780 000	R844 740	R929 214	R1 020 540
Chief Financial Officer	666 600	750 000	R825 000	R889 350
Manager: Corporate Support & Shared Services	690 000	747 270	R821 997	R886 113
Manager: Infrastructure Development	R600 000	R649 800	R714 780	R778 533
Manager: Planning & Economic Development	R594 000	R643 302	R707 633	R762 829
Manager: Social Development and Community Services	R593 328	R584 093	R700 000	R754 600
Manager : Office of the Executive Mayor	R508 800	R551 031	R000	R000

3.11. Human Resources issues

- The turnover rate is now stabilized at average acceptance level of 5%.
- HRD cannot measure Return on investment (ROI).
- Recruitment of people with disabilities is lagging behind.
- Capacity building in scarce skills and electronic systems.
- Delays in implementation of new Job Evaluation System.
- Review of the organizational structure to accommodate the growth of the Internal Audit.

3.12 .MUNICIPALITY ENTITY –WATERBERG ECONOMIC DEVELOPMENT AGENCY (WEDA)

The Waterberg Economic Development Agency was established in 2008, and its Board of Directors was established in terms section 23(f) of the Municipal Systems Act 32 of 2000. It is governed in terms of Companies Act 71 of 2008 which became operative in 2010.

The members of the nominated and appointed are Messrs: D Kyriacon, M Mogale, P Barthram, B Shibambo and Ms M Mahlare. The chairperson of the board is Mr M Kekana..

The charter of the WEDA and Service Level Agreement and operating budget were available. At least 2 meetings were convened but the post of the CEO is still vacant.

3. 13. INFORMATION TECHNOLOGY SYSTEMS

The important role which technology in driving strategy of organizations cannot be taken for granted. In modern organizations an extensive use of information technology enables municipalities to create management information.

In terms of King 111 Report the IT governance and risks that go with it should be taken into consideration.

The municipality has 10 Information Systems of which 8 are fully utilised

SYSTEMS	TYPE OF SERVER	UTILIZATION %
Kobus Becker Financial System	Financial Server	100
Symantec Backup Exec	Used for backing up systems to tape media	100
Orbit	Electronic Document Management System	0
Symantec Endpoint	Antivirus & Spam filter system	100
Windows Server 2003 R2	Used for authentication of users, Data Server	100
GEMC3	Disaster Management System	0
Squid Proxy Server	Internet Access	100
Exchange 2007	E-mail System	100
Webfocus	Reporting & analysis tool	100
Tshumishano	SCM Database system	100
Office 2007& Office 2010	Word, Excel, PowerPoint, Access, Project Management	100
Windows Vista, XP7	Operating systems used by users	100
Performance Management System	Web- based	50%
Inzekile Health System	Web-based	70%

3. 14. KEY CHALLENGES

Although the district is not a basic service provider, it has a fair understanding of the key challenges that all municipalities faced and still faces in their attempts to provide these services.

KPA 1: Municipal Institutional Development & Transformation

- Provision of inadequate support to local municipalities.
- Implementation of plans, policies and strategies.
- Implementation of a district-wide Performance Management System.
- Lack of ways to measure return on investment in training.
- Lack of staff in certain functional areas.
- Inadequate revenue and grant dependency
- Limited resources to implement municipal health services up to required standards.
- Lack of funding to have a regional solid waste site
- District roads are not funded because the issue of road classification is not resolved.
- Alternative finance resources to replace RSC levy are unavailable.
- Abattoir is running at a loss.
- Perennial existence of roll over projects.

KPA 2: Basic Services & Infrastructure Development

Solid Waste Management

- Establishment of a regional landfill site.
- Licensing of land fill sites.
- Identification and Rehabilitation of existing dumping sites.

Municipal Health

- Inadequate funding to provide the municipal health services.
- Provision of the services on a lower standard.
- Air quality licensing

KPA 3: Local Economic Development

- Unsatisfactory implementation of LED Strategies
- High unemployment rate in the district.
- Lack of funds to implement Spatial Development Projects
- Lack of investment in LED Infrastructure
- Ineffective functioning and establishment of WEDA
- Unsatisfactory participation of stakeholders in tourism

KPA 4: Financial Viability and Management

- Inadequate revenue

KPA 5: Public Participation & Good Governance

- Ineffective IGR structures
- Development and implementation of Public Participation Strategy

- Ineffective implementation of Anti- corruption strategies
- Poor follow-up on imbizos programme

KPA 6: Spatial rationale

- Poor implementation of and lack of funds to implement SDF projects
- Changing of town planning
- Unresolved land claims

KEY SUCCESSES

- Received an unqualified audit report in 10/11 Financial Year.
- Marketing of destination brand intensified.
- Improvement in functionality of IGR clusters.
- Access to Disaster Management services.
- Improvement legislative compliance of local government.
- Development of highly credible IDP and SDBIP.
- Maintenance and update of a user friendly and informative website.
- Early compliance with minimum competency levels gazette targets.

CHAPTER 4

AUDITED STATEMENTS AND RELATED FINANCIAL INFORMATION

Report of the Chief Financial Officer

1. Introduction

The promulgation of the Municipal Finance Management Act (Act No 56 of 2003) and implementation of GRAP were key milestones in ensuring that local government finances are placed on a sustainable footing in order to meet their constitutional obligations and reported accurately in the annual financial statements.

This is the third year that the Waterberg District Municipality has prepared the financial statements in compliance with the provisions of the Generally Recognised Accounting Practise (GRAP), the four years before that the financial statements were prepared in compliance with the provisions of the Generally Accepted Municipal Accounting Practise (GAMAP). This is the third year that the accounting standards are implemented in full without utilising the exemption allowed in *Government Gazette* no. 30013 of 29 June 2007. This is the first year that the Waterberg District Municipality has implemented all the exemptions granted in Directive 4 and the municipality has opted to early implement the GRAP 17 Property, Plant and Equipment exemptions on residuals, useful lives and impairment testing. The Annual Financial Statements have thus now been prepared in accordance with all effective Standards of Generally Recognised Accounting Practises (GRAP) and other standards issued by the Accounting Standards Board and prescribed by the Minister of Finance.

Over the past number of years the Waterberg District Municipality has proved that it is committed to sound financial management by receiving unqualified audit reports for the past 5 consecutive years (2006/07, 2007/08, 2008/09 and 2009/10) and a clean audit report for 2010/11.

The Annual Financial Statements are presented in South African Rand, which is the functional currency of the municipality.

2. Review of operating results

The 2010/11 budget was approved by Council on 27 May 2010 and the 2010/11 adjustment budget was approved by Council on 11 March 2011. The 2010/11 final adjusted budget figures are included in this report. The Statement on Financial Performance reflects a summary of income and expenditure. The overall operating results for the year ended 30 June 2011 is as follows:

	Budget 2010/2011	Actual 2010/2011	Variance Actual/ Budget	Actual 2009/2010	Variance Year on Year
INCOME	R	R	%	R	%
Opening surplus	140 287 317	145 426 943	3.66%	119 618 429	21.58%
Prior period errors	-	-	-	118 778	-
Change in accounting policies	-	-	-	2 625 774	-
Operating income for the year	106 632 969	106 124 054	(0.48%)	102 690 459	3.34%
TOTAL	246 920 286	251 550 997		225 053 440	
EXPENDITURE					
Operating expenditure for the year	116 036 528	89 886 173	(22.54%)	79 626 497	12.88%
Closing surplus	130 883 758	161 684 824	23.53%	145 426 943	11.18%
TOTAL	246 920 286	251 550 997		225 053 440	

The largest year on year increase on revenue occurred in government grants. The largest year on year increase on expenditure occurred in remuneration, post-retirement health care expenditure and contracted services (fire fighting).

The actual 2010/11 employee related costs (excluding Councillor Remuneration) comprises 42.22% (2009/10 – 40.40%, 2008/09 – 34.49%) of the total operating expenditure (including operating expenditure projects on the IDP).

A benchmark of 33% is acceptable.

3. Acquisition of Property, Plant & Equipment

The total expenditure incurred with regard to Property, Plant and Equipment additions amounted to R 6 742 094 as compared to R 12 661 173 for the previous financial year. Included in this amount is an amount of

R 1 854 142 (2009/10 - R 3 636 022) which comprises of R 98 480 (2009/10 - R 1 821 574) for the construction of the Lephala Disaster Management Centres and R 1 755 661 (2009/10 – R 1 814 448) for the upgrade of the Abattoir.

	Actual 2010/2011	Budget 2010/2011	Actual 2009/2010	Variance Actual/ Budget
	R	R	R	%
Buildings & Facilities	1 886 622	3 056 055	4 068 488	(53.63) %
Land	-	-	-	-
Computer Equipment	361 242	363 927	707 290	(48.93) %
Emergency Equipment	284 092	1 860 741	526 025	(45.99) %
Furniture and Equipment	421 899	425 000	515 997	(18.24) %
Office equipment	109 053	115 000	183 509	(40.57) %
Plant and equipment	181 105	185 000	1 004 413	(81.97) %
Motor Vehicles	558 286	560 257	1 691 238	(66.99) %
Specialised Vehicles	2 921 795	5 513 001	3 964 213	(26.30) %
Total	6 724 094	12 078 981	12 661 173	(46.89) %

3. Acquisition of Property, Plant & Equipment (continued)

Resources used to finance the property; plant and equipment were as follows:

	Actual 2010/2011	Budget 2010/2011	Actual 2009/2010	Variance Actual/ Budget
	R	R	R	%
Equitable share	6 724 094	12 078 981	12 399 365	(45.77) %
Grants: FMG	-	-	13 693	-
Disaster	-	-	155 855	-
IT MSP	-	-	92 260	-
Donations	-	-	-	0.00 %
Other	-	-	-	0.00 %
Total	6 724 094	12 078 981	12 661 173	(46.89) %

4. Investments & Cash

Investment and cash as at 30 June 2011 amounted to R 126 996 647 (2009/10 – R 109 721 541). The breakdown of investments and cash is as follows:

	Actual 2010/2011	Actual 2009/2010
	R	R
Current account	5 537 272	8 319 197
Petty cash	2 200	2 200
Call accounts	14 063 194	3 054 696
Other short term investments	89 308 994	76 242 704
6 month investments	18 084 987	22 102 744
Total	126 996 647	109 721 541

4. Investments & Cash (*continued*)

The municipality has no loans or overdrafts.

Additional information regarding investment and cash is disclosed per notes 1 and 5 to the financial statements.

5. Debtors

Details regarding debtors are disclosed per notes 2, 3 and 6 to the financial statements.

An amount of R 10 024 is included in debtors for outstanding ex-Councillor debts relating to the overpayment of salaries still to be recovered. This was due to the downgrading of Waterberg District Municipality from grade 4 to grade 3 for the purpose of the remuneration in terms of the Councillor Upper Limit Gazette.

6. Accounting ratios

6.1 Current asset ratio

The current asset ratio mainly involves the financial resources used in the operating cycle of a local authority. Operating capital represents the surplus of current assets over current liabilities. This is a useful indicator when determining the ability to fund operating expenditure. This ratio measures the extent to which the current liabilities are covered by the current assets. A larger coverage means a lower risk, since short-term debt can be paid out of short-term assets. The following table shows the calculation of the operating capital ratio:

	Actual 2010/2011	Actual 2009/2010
	R	R
Current assets	131 156 603	113 975 862
Current liabilities	10 429 914	9 030 894
Current ratio	12.58	12.62

The increase in current assets can mainly be ascribed to the increase in cash and investments. The decrease in current liabilities is mainly due to a slight increase in unspent conditional grants.

6. Accounting ratios (*continued*)

6.2 Current asset ratio including commitments

Operating capital represents the surplus of current assets over current liabilities, but in this indicator current commitments are included to indicate the future commitment current available funding still has to cover. This is a useful indicator when determining the ability to fund current and pending operating expenditure. A larger coverage means a lower risk, since short-term debt can be paid out of short-term assets. The following table shows the calculation of the operating ratio including commitments:

	Actual 2010/2011	Actual 2009/2010
	R	R
Current assets	131 156 603	113 975 862
Current liabilities	24 853 270	12 955 798
Current ratio	5.28	8.80

The ratio has decreased from 2009/10, but 5:2 is still a very strong financial position.

6.3 Quick asset ratio

This ratio is a more accurate test of a local authority's ability to settle its short-term debt. When calculating this ratio, only assets that can be converted into cash are taken into account. Inventory is for the local authority's own use and is not for sale; therefore they are not included in the calculations. The following table shows the calculation of the quick asset ratio:

	Actual 2010/2011	Actual 2009/2010
	R	R
Current assets excluding inventory	131 063 469	113 895 248
Current liabilities	10 429 914	9 030 894
Current ratio	12.57	12.61

The amount of inventory is so immaterial (R 93 134 in 2010/11 and R 80 614 in 2010) that it does not affect the ratio.

6. Accounting ratios (*continued*)

6.4 Solvability

In this ratio, the total assets are compared to the total liabilities, and it shows the ability of the Municipality to meet its obligations in the long term. A ratio of less than one is an indication of insolvency. The following table shows the calculation of the solvency ratio:

	Actual 2010/2011	Actual 2009/2010
	R	R
Total assets	184 426 290	164 063 262
Total liabilities	22 741 466	18 636 319
Solvency ratio	8.11	8.80

The ratio slightly decreased from 2009/10 to 2010/11. This is because the total liabilities increased by R 4 105 147 whereas the total assets increased by R 20 363 028. The increase in total assets can mainly be ascribed to the increase in cash and investments and property, plant and equipment. The increase in total liabilities is mainly due to an increase in unspent conditional grants and trade and other payables.

Property, plant and equipment is utilised to render services and for administrative support and all acquisitions are cash-backed, no loans are utilised, therefore contributing to the highly liquid position.

EXPRESSION OF APPRECIATION

A special word of appreciation to all parties involved for their support, assistance and commitment during the year, especially in achieving our clean audit report for 2010/11.

**NADINE LAUBSCHER CA (SA)
CHIEF FINANCIAL OFFICER**

4.2. REPORT OF THE AUDIT COMMITTEE

The Audit Committee is pleased to present the report for the financial year ended 30 June 2011 as recommended by the Municipal Finance Management Act No.: 56 of 2003.

4.2.1. Audit Committee Members and Attendance

The Audit Committee was established in terms of section 166 of the Municipal Finance Management Act 53 of 2003 on 29 August 2007. The Audit Committee consists of 3(three) members listed hereunder and will meet at least four times a year or more when the need arise. During the current year, 2 (two) meetings were held. In terms of section 166 (4) b of the MFMA and the approved Audit Committee charter, meetings held were on the following dates: 25 August 2010 and 30 September 2010.

Name of the Members	Number of Meetings attended
Mr. V Chauke (Chair)	2
Mr. B Mona	2
Mr. Z Sonpra	2

New Audit Committee started its term on 01 August 2011 and members are as follows:

Mr MA Mashego

Mr KTE Seletela

Mr SAB Ngobeni

4.2.3. AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee reports that it has complied with its roles and responsibilities as outlined by section 166 of the MFMA and the approved charter. The Audit Committee also reports that it has adopted appropriate formal terms of reference as contained in the Audit Committee charter approved by the Municipal Council and has regulated its affairs in compliance with the charter and has discharged its responsibilities as contained therein.

4.2.4. INTERNAL CONTROL

The system control is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the PFMA and king 111 Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors it was noted that the system of

internal control was not entirely effective for the year under review, as compliance with prescribed policies and procedures were lacking in certain instances. During the year under review, several instances of non-compliance were reported by internal auditors that resulted from a breakdown in the functioning.

4.2.4. INTERNAL AUDITING

The Internal Auditing provides a supportive role to management and the Audit Committee to achieve their objectives by assisting in the management of risk within the Municipality.

The Internal Audit department is responsible for objective evaluation of the Council's system of internal control at a detailed level and to bring any significant business risks and exposures to the attention of management and the committee through the provision of comprehensive internal audit reports.

4.2.5 EVALUATION OF FINANCIAL STATEMENTS

The Audit Committee has reviewed the financial statements preceding its submission to the Auditor General. The Audit Committee concurred and accepted the outcome of the Auditor General on the Annual Financial Statements and is of the opinion that they fairly represent the financial affairs of the municipality for the period under review.

MA Mashego

Chairperson of the Audit Committee

4.3. AUDITED ANNUAL FINANCIAL STATEMENTS

**REPORT OF THE AUDITOR-GENERAL TO THE LIMPOPO PROVINCIAL
LEGISLATURE AND THE COUNCIL ON THE WATERBERG DISTRICT
MUNICIPALITY**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Waterberg District Municipality, which comprise the statement of financial position as at 30 June 2011, and the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and the accounting authority's report as set out on pages XX to XX.

Accounting authority's responsibility for the financial statements

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA), and for such internal control as management determines necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and General Notice 1111 of 2010 issued in Government Gazette 33872 of 15 December 2010. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made.

by management, as well as evaluating the overall presentation of the financial statements.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Waterberg District Municipality as at 30 June 2011, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the MFMA.

Emphasis of matter

8. I draw attention to the matters below. My opinion is not modified in respect of these matters:

Restatement of corresponding figures

9. As disclosed in note 31 to the financial statements, the corresponding figures for 2009-10 have been restated as a result of errors discovered during 2011 in the financial statements of the Waterberg District municipality at, and for the year ended, 30 June 2010.
10. As disclosed in note 32 to the financial statements, the corresponding figures for 2009-10 have been restated as a result of a change in accounting policy during 2011 in the financial statements of the Waterberg District municipality at, and for the year ended, 30 June 2010.

Additional matter

11. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Unaudited supplementary schedules

12. The supplementary information set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

13. In accordance with the PAA and in terms of *General notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I include below my findings on the annual performance report as set out on pages XX to XX and material non-compliance with laws and regulations applicable to the entity.

Predetermined objectives

14. There were no material findings on the annual performance report.

Compliance with laws and regulations

15. There were no findings concerning material non-compliance with laws and regulations applicable to the municipality.

INTERNAL CONTROL

16. In accordance with the FAAs and in terms of *General notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, we considered internal control relevant to our audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. There are no significant deficiencies in internal control that resulted in a qualification of the auditor's opinion on the financial statements, findings on predetermined objectives and material non-compliance with laws and regulations.

Julius Pookwane

Pookwane
30 November 2011



According to audit practice, continuous

WATERBERG DISTRICT MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2011

	Note	2011 R	2010 R
ASSETS			
Current assets			
Cash and cash equivalents	1	131 156 603	113 975 862
Trade and other receivables from exchange transactions	2	108 911 680	87 618 797
Other receivables from non-exchange transactions	3	22 594	26 932
Inventory	4	854 763	1 398 063
Held-to-maturity investments	5	93 134	80 614
VAT receivable	6	18 084 987	22 102 744
Non-current assets held for sale	7	3 062 714	2 721 962
		28 751	26 750
Non-current assets			
Non-current receivables	8	53 269 687	50 087 400
Property, plant and equipment	9	2 025	2 025
Intangible assets	10	51 632 039	49 154 128
		1 635 623	931 247
Total assets		<u>184 428 290</u>	<u>164 063 262</u>
LIABILITIES			
Current liabilities			
Trade- and other payables	11	10 429 914	9 030 894
Consumer deposits	12	5 875 061	5 599 868
Provisions	13	1 550	7 100
Unspent conditional grants and receipts	14	-	179 830
Current portion of retirement health care liability	15	3 290 647	2 173 462
Current portion of long service awards liability	16	1 186 475	913 953
		76 181	156 680
Non-current liabilities			
Retirement health care liability	15	12 311 552	9 605 425
Long service awards liability	16	11 105 771	8 789 926
		1 205 781	815 499
Total liabilities		<u>22 741 466</u>	<u>18 636 319</u>
Net assets		<u>161 684 824</u>	<u>145 426 943</u>
NET ASSETS			
Retained surplus and other reserves		161 684 824	145 426 943
Accumulated surplus and other reserves	30	161 684 824	145 426 943
Total net assets		<u>161 684 824</u>	<u>145 426 943</u>